

**DEPARTMENT OF MANAGED HEALTH CARE**  
**Financial Solvency of Risk Bearing Organizations (2017-5216)**  
**Responses to Comments for**  
**Comment Period #4, January 4, 2019 – January 22, 2019**

#	FROM	COMMENT	DEPARTMENT RESPONSE
1-1	Bill Barcellona  America's Physician Groups	<p>America's Physician Groups submits its comments to the fourth version of the proposed rule as follows:</p> <p>Section 1300.75.4 (Definitions):</p> <p>(f) "Cash-to-claims ratio" is an organization's cash, readily available marketable securities and <b>HMO capitation</b> <del>plan</del> receivables due within 30 days, <del>excluding all risk pool, risk-sharing, incentive payment program and pay for performance receivables, reasonably anticipated to be collected within 60 days</del> divided by the organization's unpaid claims (claims payable and incurred but not reported [IBNR] claims) liability. <b><u>The organization shall report only those HMO capitation receivables due within 30 days the organization reasonably believes will be received by that time.</u></b></p> <p><b>APG Comment:</b> The change from all "plan" receivables to "HMO capitation" clarifies and narrows the reporting category to exclude any fee-for-service or other alternative payment model receivables. This change more clearly identifies what type of payments that the Department considers to risk-based and material to an RBO's financial solvency. Thank you for the clarification.</p>	<p>No specific change requested. Thank you for your comment.</p>